# Alberta Agricultural Products Marketing Council

**ANNUAL REPORT**
**1990 - 1991**
**1991 - 1992**

Alberta
AGRICULTURE

92-07590/

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Cover stock: Eco Recycled 80 lb gloss
Inside stock: Eco Recycled 70 lb bond
Ink: Canola based

Alberta
AGRICULTURE

Office of the Minister

131 Legislature Building, Edmonton, Alberta, Canada T5K 2B6 403/427-2137

May 11, 1992

To His Honour The Honourable Gordon Towers
Lieutenant-Governor of the Province of Alberta

Sir:

I have the honour to submit herewith the annual report of the Alberta Agricultural Products Marketing Council for the fiscal years ending March 31, 1991 and March 31, 1992, in accordance with the provisions of the Marketing of Agricultural Products Act.

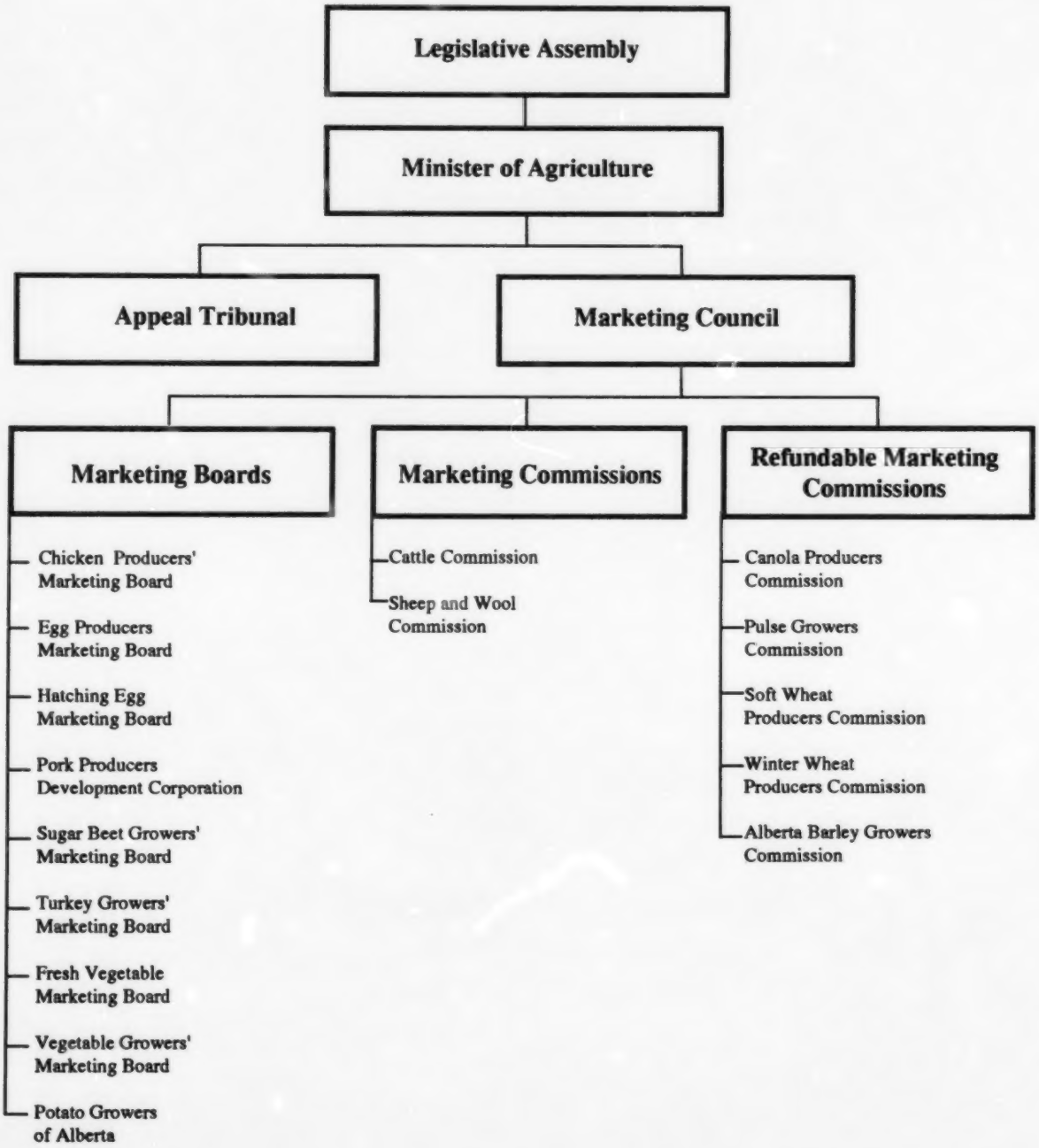
Respectfully submitted,

Ernie Isley

Ernie Isley
Minister of Agriculture

Figure 1

# Alberta Agricultural Products Marketing Council



# Marketing Council Members

**Back Row (left to right):**

**Garry Benoit**, Alberta Agriculture Department representative on Council - Edmonton
**Ron Kidd**, cattle and grain producer - Mayerthorpe
**Frank Spanbauer**, grain, sugar beet and pulse producer - Barnwell
**Ken Smith**, General Manager, Marketing Council - Sherwood Park
**Louise Radomsky**, consumer representative - Edmonton
**Frank Fallwell**, food processor - Calgary
**Jacques Dargis**, hog and grain producer - St. Vincent
**Harry Schudlo**, grain producer - Sexsmith

**Front Row:**

**Dietrich Kuhlmann**, Vice Chairman, vegetable grower - North Edmonton
**Diane Aves**, Acting Secretary, Marketing Council - Edmonton
**Harvey Buckley**, Chairman, cattle rancher - Cochrane
**Enid Schreiber**, cattle and grain producer - Dapp
**Aaron Falkenberg**, chicken producer - Sherwood Park

# The Alberta Agricultural Products Marketing Council

The Alberta Agricultural Products Marketing Council is a crown corporation established by the Marketing of Agricultural Products Act. The Act charges Council with the responsibility of supervising the operations and facilitating the establishment of agricultural marketing boards and commissions. Council's central purpose is "to enable and assist the evolution of agricultural commodity groups, while recognizing the interests of the general public."

Council is in the business of fostering effective agricultural commodity organizations within the province of Alberta. Its central roles are to facilitate the creation and the amendment of appropriate infrastructures for producer organizations wishing to use the legislation. Council must also, in a resolute and just manner, oversee the ongoing operations of the existing boards and commissions.

Marketing Council's priorities are as follows:

a) To foster effective commodity organizations which are self reliant and responsive to the dynamics of the market place.

b) To enable producer initiatives in marketing, research and development

c) Broaden the focus of commodity organizations beyond regulatory control so as to encourage the development of sound business philosophy and strategic planning

d) Encourage the updating of marketing plans and regulations under the revised Act

e) To ensure that the interests of all stakeholders are respected

There are currently sixteen producer commodity groups which operate boards or commissions. Also, there are several other commodity groups which are considering the benefits of becoming a board or commission under the legislation. Figure 1 lists the various commissions now in operation and outlines their primary authorities.

The powers of an individual board vary with the needs the commodity group it serves. Some have price and quota setting powers and others have the sole function of collecting levies which are used for research or promotion.

Collectively, the sixteen boards and commissions represent a significant portion of Alberta's agricultural activity. Regulated commodities range from traditional crops and livestock such as barley, cattle and poultry to special crops such as fresh vegetables and pulses. The sixteen regulated commodities generated over $2.9 billion in farm cash receipts in 1990 in Alberta or about 3 out of every 4 dollars of farm cash receipts (not including government payments) in the province.

## The Alberta Agricultural Products Marketing Council Report

**History of the Council**

The Alberta Agricultural Products Marketing Council was established in 1965 by means of the Marketing of Agricultural Products Act.

In 1972, the Minister expanded the number of members of the Council to eight and revised its terms of reference to be consistent with the Government of Alberta's and the Alberta Department of Agriculture's policies for the marketing of agricultural products. The then new Council placed greater emphasis on supporting Alberta's marketing boards and commissions in their marketing role.

The Marketing of Agricultural Products Act was amended again in 1987. These revisions were to meet the challenges of working with an ever more complex agricultural industry in the province and to better serve the growing and developing commodity organizations working under the legislation.

**National Council**

The Alberta Agricultural Products Marketing Council is active in its liaison role between Alberta and the National Council. The National Farm Products Marketing Council was established in 1972, under the Farm Products Marketing Agencies Act, to oversee the operations of the agencies which administer national and regional marketing plans.

As of the end of the fiscal year, March 31, 1992, The Alberta Hatching Egg Marketing Board, The Alberta Egg Board, The Alberta Turkey Growers Marketing Board and The Alberta Chicken Producers Marketing Board were signatories to National Agreements.

# Chairman's Report

This year's annual report marks a substantial change in format and in content; the object being to make it more informative for government, producers and the public. It covers two years of Council activities.

I am delighted to have the opportunity to review Council's activities for the past two years.

**Council Initiatives**

In the course of fulfilling its mandate, Council engaged in a wide range of activities:

* initiated a series of meetings to deal with grain industry concerns with respect to the formation of grain industry refundable service charge commissions

* spearheaded the development of a provincial response to the National Poultry Task Force Report

* commissioned a study to review trust reporting of boards and commissions to ensure that all trust activities are reflected in audited statements.

* organized and conducted producer plebiscites for the Potato Growers of Alberta and the Egg Producers Marketing Board

Perhaps the most significant change, over the past two years, has resulted from the enthusiasm which farm groups have shown for the forms of organizations available to them under the Marketing of Agricultural Products Act, 1987.

In particular, farm groups have recognized the benefits of the Refundable Service Charge Commission. In the past two years no less than five refundable commissions have begun operation and at least one other Refundable Service Charge Commission is under active consideration, as well as one Marketing Board.

The impact of these changes is difficult to measure at this early stage. It has been most gratifying to watch the new organizations grow and to see the farmers take control of their industry.

**Formation of Commissions**

Since the passage of the new Act in 1987, a number of groups have approached Council with a view to forming a commission. In particular, the Refundable Service Charge Commission has proven to be a popular form of organization.

For the first few groups and for Council it was very much a learning experience. As a result, Council has developed a set of prerequisites for the success of new Commissions. The following steps illustrate the process an organization goes through to set up a commission.

1) Determine benefits, goals and objectives of commission status. Meet with and advise Marketing Council that a proposal for establishing a Refundable Service Charge Commission is being contemplated.

2) Develop an implementation plan outlining the process which will be followed to communicate the proposal to producers and industry. Sponsors must demonstrate that significant support for the proposed commission exists and that the service industry has been consulted.

3) Establish a business plan and submit it to Marketing Council for approval.

4) Establish a marketing plan and regulations and submit them to Marketing Council for approval.

5) Schedule and conduct producer meetings to communicate the proposal to producers and to seek feedback and support.

6) Communicate the proposal to the service industry; include both the positive benefits and negative factors having an impact on their sector.

7) Marketing Council then makes a decision on whether the proposed commission should be recommended for approval.

8) Forward proposal to Cabinet for approval.

The sponsoring organization must have both the financial and professional resources to bring the change in organizational status to fruition. It must also demonstrate an ability to collect the checkoff and provide administrative services and leadership.

While this is a popular form of organization it should be recognized that the Act provides for three other forms of organization which may be appropriate for any particular organization.

**Regulatory Compliance**

The Alberta Agricultural Products Marketing Council is charged with the responsibility of supervising the activities of boards and commissions established pursuant to the Marketing of Agricultural Products Act. One of the ways in which Marketing Council carries out its responsibilities is by ensuring compliance with established regulations.

During 1990 and 1991 Council was regrettably required to respond to the **Alberta Pork Producers Development Corporation's** (APPDC) disregard of existing regulatory reporting and notice requirements.

The Alberta Pork Producers Development Corporation failed to conform to the requirements of the regulations with respect to notice of meetings and the reporting to Marketing Council on the results of these meetings. After repeated requests for information required under the regulations, Council took steps to compel the APPDC to comply with the regulations and documents were served on the APPDC to that end.

In December of 1990 and January of 1991 Marketing Council issued specific directions under Section 11 of the Marketing of Agricultural Products Act. These directions required the APPDC to produce certain documents and to conduct its business only under the observation of Marketing Council. This direct intervention brought about the discovery of further irregularities in the APPDC's operating activities. Marketing Council was required to act on the following:

a) The undisclosed use of producer funds to reimburse the Alberta packers for countervail duties paid on fresh, chilled or frozen pork exported into the United States. It was discovered that there existed an undisclosed arrangement between the APPDC and the packers for the payment of the countervail on pork, including a condition that, should the pork countervail be lifted, any monies returned to the processors would be subsequently reimbursed to the APPDC.

b) From time to time, significant amounts of unsecured credit were being extended to Fletcher's. This was being done through the holding and not depositing of cheques from Fletcher's for the payment of hogs. This extraordinary benefit to one packer over others was inappropriate. The practice also placed producers at significant financial risk without their knowledge.

c) The Board had been conducting meetings with some decisions not being recorded in its minutes.

Marketing Council ordered that all of these activities cease. The APPDC then brought about the necessary corrective actions. Section 11 directives were then lifted although Marketing Council continues to monitor the APPDC's activities and cooperation is expected to continue.

Also in late 1990 and carrying over into 1991, the APPDC failed to produce an acceptable regulation to cover a contingency fund which had been established for the payment of retroactive countervail on processed pork. In the fall of 1989 Marketing Council had authorized the APPDC to collect an additional $2.00 per hog service charge for a specified period of time in order to allow the APPDC to participate in an arrangement with the other provinces in Canada and the Canadian Pork Council. The purpose of this arrangement and the funds collected was to protect the Canadian pork processors from the potential of retroactive countervail over and above the amounts then being paid. This program was put into place to prevent a downward adjustment in the Canadian live price for hogs and on the understanding that if the funds collected were not used for the "contingency" they would be returned to producers. Alberta producers paid $1.7 million into the contingency fund. Marketing Council's direct intervention insured that all of the monies collected were returned to the producers.

## CHAIRMAN'S REPORT

Marketing Council has recently learned that the **Alberta Egg Producers Board** and the other egg producer boards in Canada are no longer operating under the terms of the existing Federal-Provincial Agreement for the marketing of eggs in Canada. This intentional disregard for the central pricing and surplus removal arrangements in the agreement are significant deviations from the terms of the existing agreement. The Alberta government as a signatory to this agreement cannot allow the present situation to continue.

The Alberta Egg Producers Board has been put on notice that the existing arrangement will not be allowed to continue. Amendments will have to be made to the existing Federal-Provincial Agreement or the producer boards in Canada will have to comply with its terms. Marketing Council is working closely with National Farm Products Marketing Council to ensure that these matters are resolved in the near future.

**Recent Events**

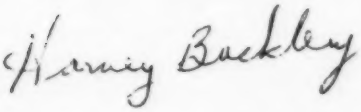
In July of 1991 the **Alberta Barley Commission** came into being. It is a Refundable Service Charge Commission and takes a 40 cent per tonne (less than one cent per bushel) service charge on all sales of barley by primary producers. The Barley Commission will be completing its first full year of operation at the end of July of this year and will begin electing its first slate of directors at regional meetings in the fall of 1992.

A group of Alberta forage seed producers has been in the process of developing a proposed plan, regulations and has held a series of country meetings towards establishment of a Refundable Service Charge Commission. However, at the most recent round of producer meetings there was insufficient support to proceed with the proposal at this time.

The **Alberta Milk Producers Society** is considering the formation of either a marketing commission or a marketing board. The producers will vote on these options at their annual meeting in June.

**Thank you**

As Chairman, I would like to take this opportunity to thank our Ministers for their support and guidance. I would also like to thank Council members and staff for their hard work and dedication during a period of significant growth and change.

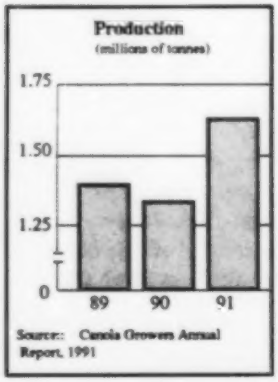


Harvey Buckley,
Chairman

# Alberta Canola Producers Commission

The Alberta Canola Producers Commission began operation on August 1, 1989 and was the first refundable commission formed in Alberta. To date only 3.6% of producers have requested refunds which implies a high level of producer endorsement. We now have over 22,000 producers on our mailing list.

The purpose of the Alberta Canola Producers Commission is to work towards maintaining and enhancing the viability of our industry by developing programs which support varietal development and agronomic research. It also supports the field testing of research results and demonstrating these results to producers through the Production Centers, cooperative programs with regional agriculture research associations and through our newsletter, "The Canola Grower".




The Alberta Canola Producers Commission enhances both the marketing of canola oil and the domestic utilization of canola meal in Alberta through various promotional programs by working in cooperation with the crushers and the Canola Council of Canada.

Elections for directors were held last year in each of the 12 regions. Four directors were elected for a one year term, four for two years and four for three years. In the future each director will be elected for a three year term with four regions up for election each year. All elections are conducted by mailed ballot.

The past year has continued to be a challenge for the entire industry. Producers continue to battle the cost-price squeeze and continue to hope that market distortions will be resolved through GATT. However, even if progress is made, trade distorting subsidies will take several years to phase out.

The terminal lockout at Vancouver, which fortunately was resolved quickly by a back-to-work order, compounded our difficulties. Further grain movement disruptions have resulted from the recent federal civil servants' strike. The Commission urged the government to take whatever action might be necessary to get and keep the grain moving.

The Federal Government, in cooperation with the provinces, has developed a new safety net program which includes GRIP, NISA and a third line of defence. The latter essentially is a provision for ad-hoc payments if and when it is deemed by government that GRIP and NISA are inadequate to meet an emergency situation. Certainly government support has been greatly reduced since 1989. This combined with historically low grain prices, will cause a further decline in net term income for 1991/92.

United Oilseed Products Inc. of Lloydminster is in full operation under new ownership, Archer Daniels Midland. This is good news for many producers. Alberta Food Products at Fort Saskatchewan is also under new ownership of CSP Foods Ltd. and Central Soya of Canada Ltd.

It has been confirmed that Archer Daniels Midland (Ontario) has purchased a quantity of Polish rapeseed at about $40.00 a tonne less than the Canadian price. Our concerns regarding this transaction were conveyed to Archer Daniels Midland through the Prairie

Canola Growers Council. These concerns included both the prospects of rapeseed being imported and the quality of imported rapeseed which, if not up to our standards, could have a detrimental effect on our markets. Canada has ample high quality canola to supply both our export and domestic markets. We insisted that Canada's canola standards not be jeopardized.

The Commission continues to work closely with the crushing industry. Canada exports about 400,000 tonnes of Canola meal and, while this market is valuable, the goal is to increase domestic utilization while improving export markets. The domestic crushing industry continues to suffer as a result of imported, subsidized European canola oil displacing Canadian oil, the impact of the Crow Rate (WGTA), the Japanese oil tariff and the strength of the Canadian dollar.

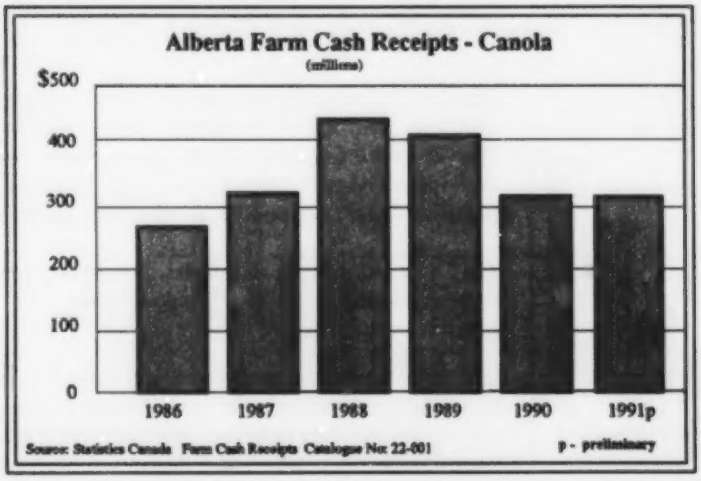
Across the U.S., canola oil is becoming well recognized for its health benefits and demand has substantially increased. This trend is expected to continue for some time. Unfortunately for the Canadian industry, much of this growth in demand is being satisfied by increased importation of subsidized European oil. Canola production in the U.S. is in its infancy, however, there is considerable interest. The rate at which canola production will expand in the U.S. will depend on a number of factors including the return on canola relative to other crops, technology transfer and development of a marketing structure including crushing facilities.

It is interesting to note that canola can now be grown on the Triple Base set aside acres under the U.S. Farm Bill, however, this provision had little impact on U.S. acreage this year. It has been estimated that by the year 2005, U.S. canola acreage will be somewhere between 2.5 and 5.0 million acres. This has major implications for Canada, since we are highly dependent on U.S. markets for both oil and meal. Canada must become more aggressive in its marketing strategy if our canola industry is to remain viable in the long term.

**Alberta Canola Growers Commission**
**Revenues and Expenses**

| | 1990 | 1991 |
|---|---|---|
| Total Revenue | $682,646 | $728,180 |
| Total Expenses | $334,887 | $628,985 |
| Net Revenue | $347,759 | $ 99,195 |

Source: Canola Growers Annual Report, 1991



The Alberta Canola Commission completed its second year of operation on July 31,1991 and held their second annual convention in Edmonton on January 22-24, 1992. During the year the Commission supported 19 research projects worth about $188,000. The research conducted covered a wide range of agronomic research, varietal development and demonstration projects.

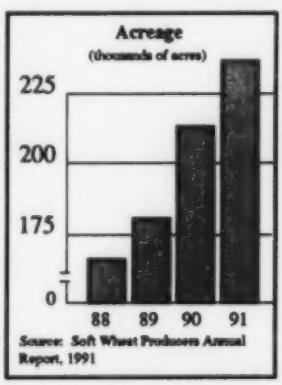
Transportation issues continued to be of major concern to the Commission. In particular, the Commission was active in pressuring the federal government to bring the work stoppages at the ports to an end.

The Commission also presented a brief to the Canadian Grain Commission on the subject of grain dealer licensing and security and to Honourable John Crosbie on the subject of GATT

# Alberta Soft Wheat Producers Commission

The Alberta Soft Wheat Producers Commission represents 2000 soft wheat producers in Alberta. Soft wheat has provided a viable crop option on the 1.3 million acres of irrigation available in Alberta. In the 1991 - 1992 crop year, 237,000 acres of soft wheat produced close to 475,000 tonnes.

The Commission is composed of five districts each having a chairman, vice-chairman, secretary treasurer and a number of directors. Each district elects two directors to the Commission board. In addition, the Commission has a president and vice- president elected at large as well as a past president. Thirteen directors were elected to the Commission's annual meeting on February 22, 1991. The Commission has three mandate areas: Research, Production and Marketing.




The Canadian Wheat Board and the Commission negotiate production contracts for each year. This allows producers to deliver their entire production in one crop year. The Commission negotiates with western mills to provide freight and quality incentives for soft wheat. Market development for new varieties is coordinated through the Canadian Grain Commission and the Canadian Wheat Board.

The Commission keeps all members informed through a quarterly newsletter. Commission activities are funded from a 40 cent per tonne levy on soft wheat sold in Alberta.

Soft wheat producers making a request to the Commission will receive a refund of their levies deducted at the time of sale. During the first six month request period, 4.2% of soft wheat producers requested a refund. The Commission feels this indicates a high level of support by producers with total refund receipts for the 1991 - 1992 crop year of 3.2 %.

## Alberta Soft Wheat Producers Commission

The Commission is involved in research projects such as the shatter - loss trials conducted with SeCan and the Soft Wheat Breeding Program at Agriculture Canada, Lethbridge, Alberta. A major commitment of funds was directed to the breeding program as it produces the new varieties required by the producers and the industry. The Commission has initiated a Farming For The Future agronomic On-Farm Demonstration to test future cultivars in field conditions.

A major concern of the Soft Wheat Commission is the lack of recognition, by government and industry, of the high per acre cost of production of soft wheat on irrigation. The Commission feels this recognition is imperative if irrigated production of cereals are to be properly addressed by second and third line of defense programs and crop insurance. The Alberta Soft Wheat Producers Commission continues to present briefs addressing production as a factor in assistance programs.

The Commission opened an office on May 1, 1991 and hired an Executive Director to increase the profile of the Commission and to run the day-to-day operations. This has allowed the Commission to present briefs to various levels of government and to the industry in general.

As a result of the annual negotiations with the C.W.B., the spread between hard and soft wheat was narrowed significantly. The Commission was also able to negotiate contracts of 3 tonnes per acre for Fielder as well as a contract for SWS-52 for the 1992 crop year.

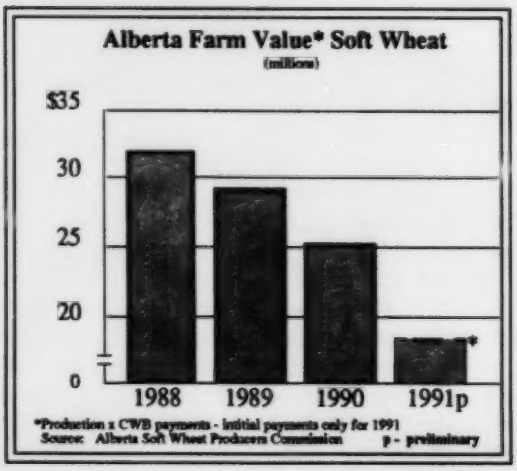
In 1994 SWS-87 (AC Reed), which has permanent registration, will be available. The commission has been working closely with the industry to get this new variety into commercial production. In addition, the commission will be contributing to the soft white wheat breeding program at the Lethbridge Research station.

**Alberta Soft Wheat Producers Commission**

**Revenues and Expenses**

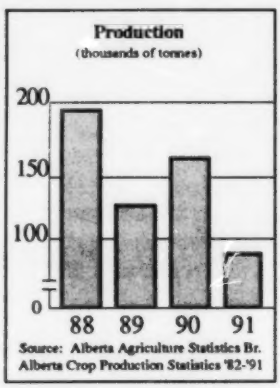
| | 1990 | 1991 |
|---|---|---|
| Total Revenues | $ 37,354 | $103,092 |
| Total Expenses | $ 44,477 | $ 57,064 |
| Net Revenue | ($7,123) | $ 69,348 |

Source: Alberta Soft Wheat Producers Annual Report, 1991



# Alberta Winter Wheat Producers Commission

The Alberta Winter Wheat Producers Commission began operations on August 1, 1990. under the provisions of the Marketing of Agricultural Products Act. The Alberta Winter Wheat Producers Commission ( AWWPC ) is empowered to collect a .75 cent per tonne, refundable levy on all Winter Wheat produced and sold within the province. The levy deductions are made automatically at the time of sale through a network of licensed dealers. Producers can receive refunds by applying to the Commission. Thus far, such refund requests have not been significant; below 3% of the producers.




Winter Wheat producers are represented on the Commission by producer-directors responsible for selected provincial regions. To this end, the province has been divided into six distinct regions, with one director taken from each region. The exception is region six which essentially includes the area of the province north of Calgary. Despite the size of this area, it is traditionally very low in Winter Wheat acreage. As a result, the region is represented by two directors not necessarily engaged in production within its boundaries. The Board has been subdivided into four committees: Administration and Finance, Member Relations and Extensions, Market Development and Research.

The AWWPC established a business office as of July 1990. It was felt that the most cost effective approach would be to hire a part-time employee. Initially, an agreement was reached with the Alberta Canola Producers Commission to handle the logistics of the levy deductions through their computer services. While this facilitated a very smooth start-up for AWWPC, the Commission has now purchased its own computer and developed its own program to deal with producer levies.

Membership extension activities during this first year of operation have focused around the publication of a quarterly newsletter called the *Germinator*. We have now had several issues published and sent out and it has proven to be a most useful tool.

The Commission has continued funding support, begun by the Alberta Winter Wheat Association for the plant breeding program at the Lethbridge Agriculture Canada Research Station. This funding has contributed to Dr. Julian Thomas' breeding

**Alberta Winter Wheat Producers Commission**

**Revenues and Expenses**

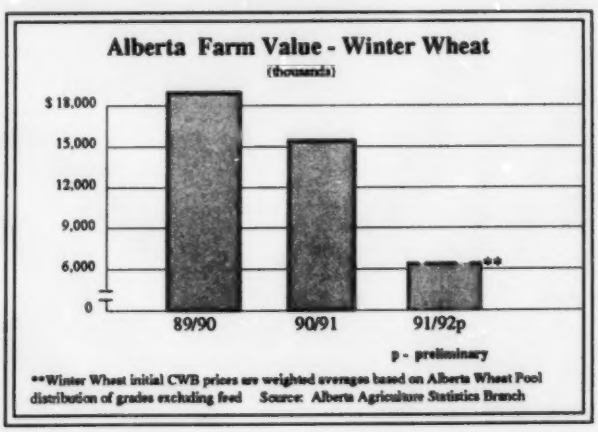
**(31/07/91)**

**Total Revenues**
**$ 80,575**

**Total Expenses**
**$ 44,073**

**Net Revenue**
**$ 36,502**

Source: Alberta Winter Wheat Producers Commission Annual Report



program and AWWPC was pleased to be involved in the recent registration of the new variety, Readymade. Consideration is also being given to funding Dr. Richard Butts for research on the Russian Wheat Aphid which is of particular concern for Winter Wheat production. As well, the Commission is considering funding Dr. Bob Blackshaw's research on weed control in Winter Wheat.

Winter Wheat acreage in Alberta peaked in the early 1980s at about 450,000 acres. This acreage has fallen to approximately 100,000 acres in 1991. A variety of factors such as persistent draught, unfavorable winter weather patterns and the lack of availability of suitable varieties have lead to this decline. AWWPC intends to continue to encourage the return to higher acreages by means of its contributions to research as well as pointing out the inherent advantages of the crop in economic, agronomic and conservation terms.

On November 27th of 1991, the commission held its first annual meeting and elected its first slate of producer nominated directors.

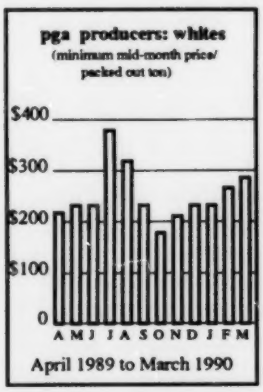
# Potato Growers of Alberta

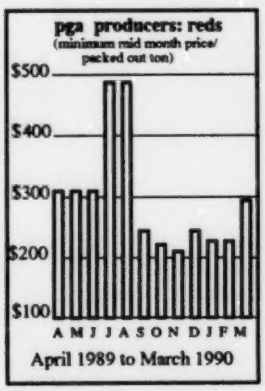
The 1990/91 and 1991/92 crop years were dominated by efforts to maintain a stable financial environment when crop prices in other farming sectors were taking a nose dive. Alberta potato prices remained reasonable; demand from the processing sector was steady and most areas in continental North America had good crops. However, poor crop prices in the agricultural and horticultural communities characterizes the environment in which we now conduct our business.

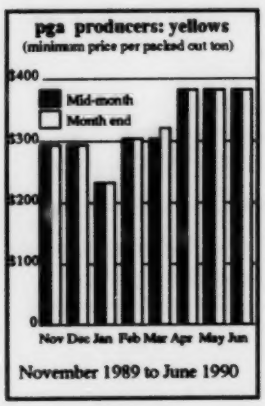
A highlight of 1991 was the development of a safety net program which allows growers to put money away to offset low net income years (NISA) and a program which provides coverage based on yields and price (GRIP). The process to include horticultural crops in these programs was complex but ultimately successful.

Import displacement in our market remains a problem as more U.S. potatoes are seen at the wholesale/retail levels. It is an area of growing concern which cannot be ignored. Especially, in light of the fact that many of our packers are now storing for the whole year and expect access to the Alberta market on a year-round basis.

The value of the Canadian dollar and interest rate levels continue to have an impact on the competitive position of our growers. A submission from our association, presented to the Canadian International Trade Tribunal in February 1991, provided an optimistic outlook for our industry's future; if current government policies change permitting the enhancement of the Canadian horticulture industry as a whole.




The Advance Payments for Crops program was offered once again under the Cash Flow Enhancement initiative to assist with the marketing of potatoes. The program is designed to recognize the cash flow requirements of growers. We work closely with Agriculture Canada to ensure that our management of the program falls within their guidelines.

The development of a private laboratory in Alberta to test potatoes has received new impetus and interest from within our industry as well as from the federal and provincial governments. This translates to increased efforts and commitment from all of the industry which may mean grower dollars supporting the start-up process. In the final analysis, if the project proceeds, it will mean the development of a system that is 'a cut above' what is currently available.

Changes to the Alberta Pests Act were made in response to the 1990 resolution to plant only certified seed or better. As well, a proposal for a uniform policy for the enforcement of regulations of the Agricultural Pests Act to control Bacterial Ring Rot was developed through the efforts of the Alberta Potato Advisory Committee, representing all levels of the industry.

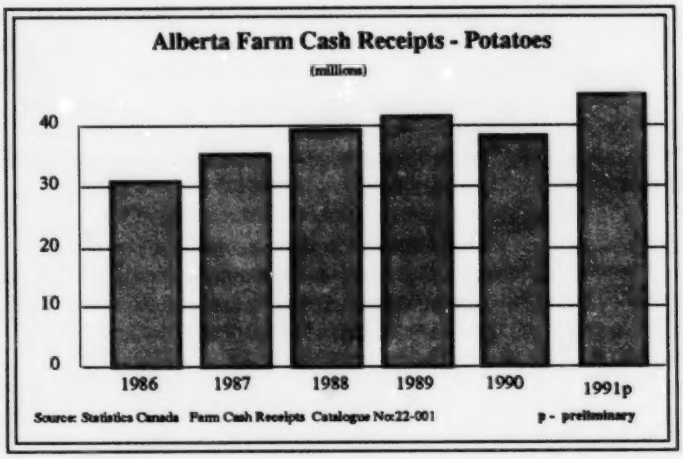
Alberta's planted acreage dropped in 1991 to 24,500 acres, a decrease of 14% from the 28,300 acres planted in 1990. Reductions in the process contract volume accounts for a large portion of the decrease in acres. Several other areas in North America had similar contract reductions but their acreages stayed the same or dropped only slightly. Our growers should be congratulated for their efforts which resulted in reducing the acreage in Alberta by 4,000 acres, which was the largest percentage reduction in acreage by any fall potato area. Although acreage did drop, there were still too many fields planted with "open" and/or "table" potatoes to replace lost contract acres. These potatoes will increase the problems of an already over supplied fresh market.

The Alberta Potato Research Association (APRA) was registered under the Societies Act in 1990. The purpose of the APRA is to review the needs for research in Alberta's potato industry and to fund research as budgets allow. In 1991, two research projects were funded. The two projects were aimed at developing a rapid analytical method for screening for total glycoalkaloid acid content and at developing a disease tested source of seed for industry evaluation of advanced breeding clones, respectively.

**Potato Growers of Alberta**
**Revenues and Expenses**

| | 1990 | 1991 |
|---|---|---|
| Total Revenues | $438,514 | $554,788 |
| Total Expenses | $418,998 | $428,557 |
| Net Revenue | $ 19,516 | $126,231 |

Source: Alberta Potato Marketing Board Annual Report




# Alberta Pulse Growers Commission

The Alberta Pulse Growers Commission continues to promote those activities that meet the requirements of its members as expressed by the producers in the three provincial zones, as well as the commissioners which represent the producers throughout the province. The principal pulses produced in Alberta are dry peas, dry beans, lentils and fababeans. Alberta production of pulses in 1990 was very similar to 1989. In 1991 acreages increased significantly and were as follows:

| | 1990 | 1991 |
|---|---|---|
| Dry Peas | 100,000 | 180,000 |
| Dry Beans | 24,400 | 28,400 |
| Lentils | 5,000 | 10,000 |
| Fababeans | 3,500 | 2,900 |

Source: Alberta Agriculture Specialty Crops Survey 1991

The Commission continued to publish its major extension vehicle, formerly the NuKrop News, now called the *Pulse Crop News*. This publication provides current information on new production technology, research, market and marketing information. It also keeps producers up to date on activities carried out by the three provincial zones. In addition, each zone holds information meetings and seminars throughout the year to enable new growers to fully participate in Commission activities. The Pulse Production Handbook will be completed and published in early 1992.

## Alberta Pulse Growers Commission

One of the priorities of the Commission is applied research. This is carried out through the Farming For The Future On-Farm Demonstration Program in various regions of the province. These projects emphasize the resolution of agronomic problems such as varietal selection, fertility, seed inoculation, weed control and harvest trials for the various pulse crops. The major objective of these demonstrations is developing technology to improve yield and quality and hence the overall viability of pulse production.

The Commission also arranged, with nutritional consultant Mr. Jim Gowans, to organize and present several seminars throughout the province to swine producers and nutritionists on the utilization of feed peas in swine rations. These seminars will be presented in late 1991 and early 1992.

Major promotions were carried out at Lethbridge, Red Deer, Medicine Hat and Calgary by means of our portable booth.

The Commission continues to represent producers on both the federal and provincial government level on such issues as the Grains and Oilseed Safety Net Committee and the National Tripartite Stabilization Program.

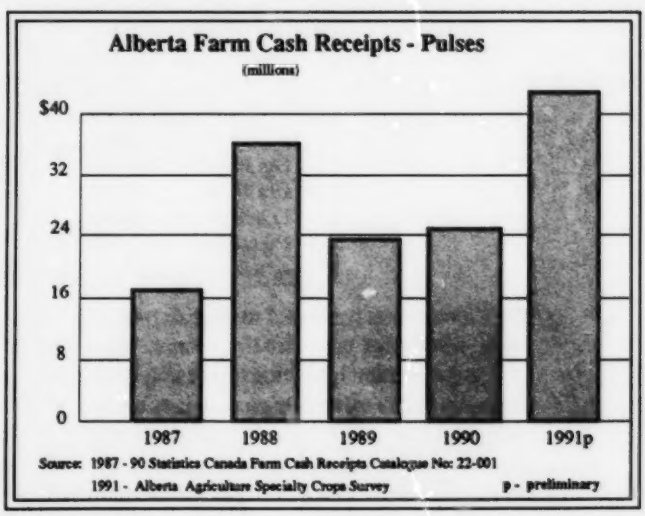
Relations with the extension service of Alberta Agriculture are excellent and their cooperation in providing winter seminars and demonstration plots is greatly appreciated by the pulse producers and the Commission executive.

As pulse production expands and hopefully flourishes, the Commission will be expanding its role and searching for new ways to bring increased viability and stability to the industry.

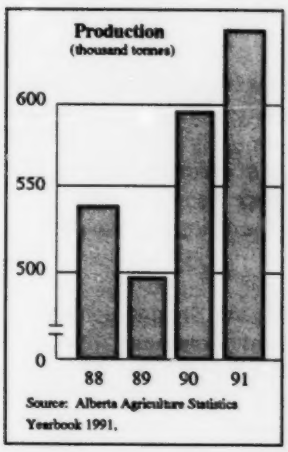
**Alberta Pulse Growers Commission Revenues and Expenses**

| | 1990 | 1991 |
|---|---|---|
| Total Revenues | $ 62,663 | $140,162 |
| Total Expenses | $ 86,961 | $ 90,297 |
| Net Revenues | ($ 24,298) | $ 49,865 |

Source: Alberta Pulse Growers Commission Annual Report



# Alberta Sugar Beet Growers' Marketing Board




The annual meeting, held on February 13, 1991, saw a change in leadership as Paul Thibodeau, President for the previous three years, decided that he would retire from the position and return to farming as a full-time occupation.

The new President, Brian Anderson, was first elected to the Board in 1987 and was vice-president in 1990. Mr. Anderson, who farms east of Taber, is also the representative to the National Tripartite Stabilization Committee and the First Vice-President of the Canadian Sugar Beet Producers' Association.

The Board had been working on updating its regulations for some time so that they would conform with the new Marketing of Agricultural Products Act . And, on August 8, 1990, the Sugar Beet Marketing Plan was filed and given the stamp of approval by Cabinet. This revised plan had been approved by a plebiscite of the producers on December 4, 1988 and had since been amended with approval of the delegates to the annual growers' meeting in 1990. A revised Sugar Beet Marketing Plan Implementation Regulation was filed by Alberta Agricultural Products Marketing Council on January 2, 1991.

Along with the filing of the above two documents, revision of the previous production regulation was required. On February 4, 1991, the Sugar Beet Production and Marketing Regulation was filed. The filing signalled the end of many months of discussion, rethinking, rewording and rewriting.

Sugar beet producers in Alberta produced excellent crops in both 1990 and 1991 despite some very unfavourable spring planting conditions in 1990 and an early frost in 1991. Due to frost, winds, erosion and soil crusting in 1990, more than 7,000 acres of the total 32,875 planted acres had to be reseeded.

The joint research committee, comprised of marketing board and the sugar refinery personnel, approved seven varieties of sugar beet seed for 1990. Research on the effects of late season nitrogen application on yield and quality, reduced tillage and different chemical treatments on weeds and beets continued.

Both the yield and the quality of beets is being improved since the inception of payment to the producer on an individual sugar basis. Although experimental testing for sugar content began in 1988, testing facilities which were adequate for full scale production were introduced and used for the first time in 1989. In 1990 some additional equipment was installed which allowed the lab to measure potassium and sodium. The information is used to determine the total quality of the beet. Along with this method of payment, technological changes in the method of production (such as in nitrogen and water applications) were required.

## Alberta Sugar Beet Growers' Marketing Board

A beet storage experiment was introduced in 1990 which consisted of two 25,000 tonne sections of the sugar beet piles. The objective of the experiment was to cool the beets thus reducing sugar loss due to respiration. One pile was the control pile, the other pile was ventilated using 40 fans and 1,230 meters of ducting which were put in place before the beets were piled. The fans operated automatically when the outside air temperature was between +1 and +5 degrees Celsius and temperatures from both sections were monitored constantly.

Due to the successful results of the first year of the experiment, it is being continued for the 1991 beet crop.

An event of historical importance was the moving of the office from the city of Lethbridge to the town of Taber. The office has been located in Lethbridge since the inception of the Sugar Beet Growers' Association in 1925. However, in July 1991 the office was moved to the Administration Building in Taber.

Sugar beets are produced in the area surrounding Picture Butte and Iron Springs, north of Lethbridge, east through Taber, to and including the Vauxhall, Burdett and Bow Island areas. This office move was felt to be an effective way of centralizing the office for easier access for both directors and growers.

The National Tripartite Sugar Beet Program which was established in 1986 is currently, in accordance with the agreement, undergoing a five-year review. A consulting firm, Landell Mills, has been commissioned to study the industry. Their report will be used by the committee which consists of federal, provincial and producer representatives, along with the internal review being conducted by that committee.

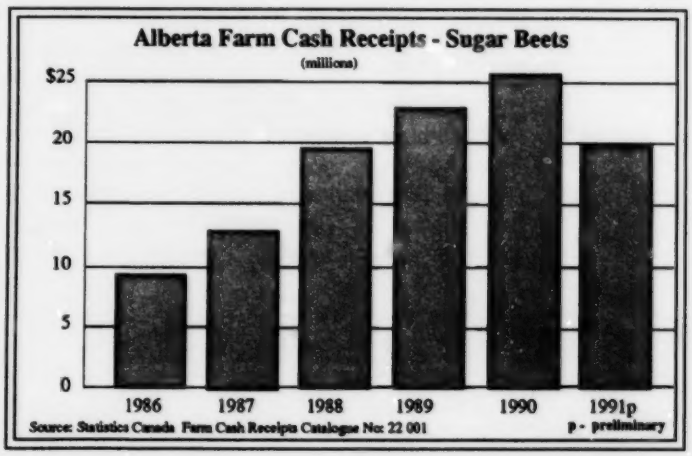
A Special Measures Committee has been set up under the Farm Income Protection Act (FIPA) which will work along with the National Tripartite Stabilization Committee in the assessment of the future viability of the NTSP. The time frame for their final report is March, 1992.

**Alberta Sugar Beet Growers' Marketing Board**

**Revenues and Expenses**

| | 1990 | 1991 |
|---|---|---|
| Total Revenues | $355,192 | $381,019 |
| Total Expenses | $290,980 | $270,059 |
| Net Revenue | $ 64,212 | $110,960 |

Source: Alberta Sugar Beet Growers' Marketing Board Annual Report



# Alberta Vegetable Growers' Marketing Board

The 1990 crop season was a difficult one for many of the crops and growers. The spring was cold which hampered germination, especially in corn. The summer turned abnormally hot and dry which caused bunching in the peas. The bean acreage was cut in half because of a labour dispute at the Taber plant. As a strike loomed, the bean seed order was cancelled and was not available after the labour settlement.

The 1991 crop season also presented its share of challenges. However, it was, in general, a good year with timely rains in June. Like most producers, the growers of vegetables for processing have had to contend with reductions in prices for some crops in each of the two years. Corn prices have slid somewhat over the past couple of years and bean prices were down in 1991 after holding steady in 1990.

The Board also continued its work on the new regulations. The documents are all but complete and approval from Marketing Council should come soon.

The Annual Convention of the Alberta Vegetable Growers' Marketing Board was held on February 7th, 1991. At the convention a number of issues were discussed and nearly a dozen resolutions were presented.

In research, the industry has been concerned about the impact of the European Corn Borer. The Alberta Vegetable Growers' Marketing Board, along with Lucerne Foods Ltd. and Alberta Agriculture, applied for funding to the Farming For The Future On-Farm Demonstration Program to monitor the European Corn Borer (ECB). The project was approved for two years commencing May 1, 1991.

The ECB appeared in the Taber area in 1985 and reached levels in 1990 that suggest control should have been implemented in some areas around Taber. The ECB bore into the corn stalk, weakening the stem and impairing the flow of nutrients, resulting in loss of yield and plant vigor. Weakened corn stalks are susceptible to lodging, making the corn difficult to harvest. Damage done to the cobs by the ECB prolongs sorting and decreases the efficiency of the processor.

The project will be coordinated by an entomologist from the Alberta Special Crops Horticulture Research Center in Brooks and a field technician will be hired. The project's main emphasis is on monitoring the life cycle of the ECB in the Taber area, devising a practical monitoring system for the producer to use, and looking at control methods including cultural, chemical and biological control agents. Cultural control includes plowing up harvested corn fields to discourage ECB larvae from surviving in the corn stalks.

In conjunction with the ECB project Dr. Yu, a scientist with Agriculture Canada at the Lethbridge Research Station, will be conducting a study on biological control of the ECB using parasitic wasps. The wasps were released at designated sites on the plots and the results are very encouraging.

The monitoring of the European Corn Borer (ECB) will be continued during 1992 under Farming For The Future. Chemical control on plots in 1991 showed a 15 - 20 percent difference in ECB infestation levels between sprayed and unsprayed plots.

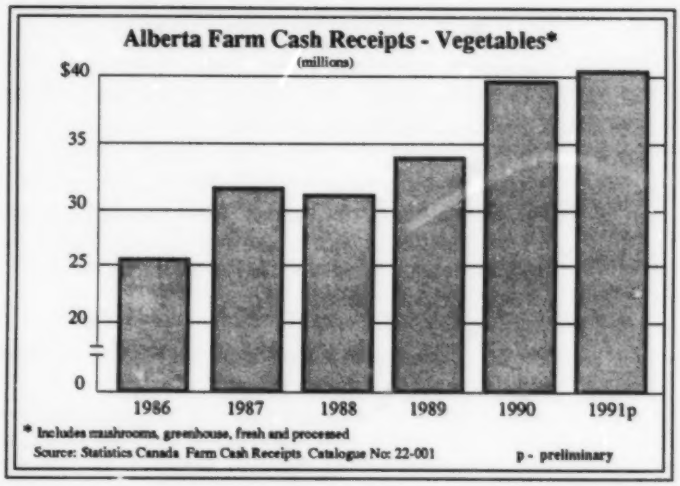
The Chairman of the Board, Garth Harris, attended the meetings of FSAM II (Farm Support and Adjustment Measures II). In his report to the membership, at the February 6, 1992 annual meeting, he outlined how growers of processing beans, carrots and red beets can participate in the program. Funding is available through FSAM II for research and the Board is considering a project involving super sweet corn seed.

As a result of a resolution passed at last years annual meeting a by-pass fund was established for the purpose of compensating a grower whose crop is suitable for harvesting but of a quality level that would adversely affect the pack balance of the processor. The growers contributed 1% of gross sales and this was matched by the processor. The idea was supported by growers at the 1992 annual meeting and it is hoped that a reserve can be established.

**Alberta Vegetable Growers' Marketing Board Revenues and Expenses**

| | 1990 | 1991 |
|---|---|---|
| Total Revenues | $ 71,814 | $67,864 |
| Total Expenses | $ 59,454 | $71,620 |
| Net Revenue | $ 12,360 | ($3,756) |

Source: Alberta Vegetable Growers' Marketing Board Annual Report




# Alberta Fresh Vegetable Marketing Board

The Alberta Fresh Vegetable Marketing Board represents producers of field grown vegetables marketed through commercial wholesalers in Alberta. Alberta has distinct advantages in the development of the fresh vegetable industry. These include an abundant supply of clean fresh water, a sound core of experienced and adventurous growers with proven entrepreneurial spirit and a marketing system which has exposed those growers to the pressures of the marketplace.

## ALBERTA FRESH VEGETABLE MARKETING BOARD

Fresh vegetable production creates substantial rural employment and in 1990 the average value of commercial fresh vegetable production in Alberta was $3,458 per acre. Sales in 1990 reached a record level and field crops included Chinese vegetables, squash, celery, kohlrabi, cauliflower, broccoli, snow peas and radish in addition to many traditional vegetables. Storage utilizing the benefits of research in technology, has extended the season for several vegetables, resulting in sales of Alberta produce during every month of the calendar year.

The 1991 crop season proved to be a difficult one and the harvest produced a crop whose value is lower than 1990. Although the crop may not be completely through the marketing channels until some time in May of 1992 it is anticipated that revenue will be reduced from the levels of past years.

The Board has instigated major changes to improve the operational efficiency of the Alberta Fresh Vegetable Board. In 1990, the Board introduced computerized accountancy and statistical data systems. And, in February 1991, Mr. Neil Reid was appointed General Manager to respond, in part, to the increasing need for advocacy in support of the vegetable industry. The General Manager will also help industry react to calls made for diversification by both federal and provincial levels of government.

New crops are by definition new and, in consequence, do not qualify for the support mechanisms and programs which exist for traditional crops. This leaves those with the necessary courage to diversify entirely exposed to the vagaries of both the weather and marketplace. The Board has embarked upon preparing an industry profile to address both this difficulty and the potential for growth. The profile will define the total consumption of vegetables in Alberta, the current level of production within the province, and that part of the total annual consumption which, taking seasonality and known methods of storage into account, could be produced by Alberta growers.

When complete, the profile will be presented to our Minister of Agriculture. It will form the basis for discussion which will lead to the development of mechanisms and programs which would encourage rapid development of the industry. The difficulties experienced during the 1991 production year with both lower prices of competing U.S. produce and a series of difficulties due to weather emphasizes the need for consultation between growers and all levels of government.

The federal government recognized the hurt suffered by horticultural producers in FSAM II. The Board supplied the necessary statistical data demonstrating the degree of hurt suffered by registered growers, to both Alberta Agriculture and Agriculture Canada. These figures were the basis, in subsequent meetings, of the calculation of levels of payment made to growers for various crops. In the discussions, the Board acting upon growers behalf, agreed to acreage rates of payment varying from $25.00 to $100.00 per acre for each of two years of registered acreage. The total value of compensation to growers being in the order of $567,00.00.

| Alberta Fresh Vegetable Marketing Board Revenue and Expenses | |
|---|---|
| 1990 - 1991 | |
| Total Revenue | |
| $217, 484 | $238,722 |
| Total Expenses | |
| $212,330 | $287,464 |
| Net Revenue | |
| $ 5,154 | ($48,742) |

Source: Alberta Fresh Vegetable Marketing Board Annual Report

The Board also made a presentation to a meeting, held at Red Deer, of the Canadian Employment and Immigration Commission contractors employed by the federal government and the Chairmen of the Local Agricultural Employment Boards, regarding the Overseas Labour Program. Under this program, growers can employ seasonal Mexican employees. However, the growers have no direct input in deciding the rates of remuneration which they as employers will have to pay. In making its submission, the Board drew attention to this anomaly and to the fact that the difference imposed upon Alberta growers between the rates paid by U.S growers and the equivalent costs to Alberta growers was in the order of 30%. This appears to be in conflict with the "level playing field" policy described by the Federal Government. A small rollback was achieved on behalf of Alberta growers with a value in the order of $50,000.00

# Alberta Chicken Producers' Marketing Board

During 1991 the Alberta Chicken Producers' Marketing Board celebrated its 25th year of operation. In the twenty-five years since its founding the Board has been fortunate in terms of its ability to work co-operatively with industry. It has also been fortunate to work with a group of highly efficient and enthusiastic growers.

The year has been a particularly active one with a number of projects coming to fruition. On February 4th of 1991 the Board filed its revised Regulations which govern the operation of the Board. The regulations allow for the operation of a Quota Exchange so that quota can be purchased and sold without facilities.

The first two Quota exchanges were held in April and July of 1991. Six thousand square feet of Base quota was sold on April 1, 1991 at $13.35 per square foot. Advance Quota was sold for the first time on July 1, 1991. Growers purchased 6,500 square feet at $12.00 per square foot.

The new regulations also deal with the issue of Rock Cornish quota. Quota size was determined by the average annual weight of Cornish marketed pursuant to permits in either of the periods 1979-1984 or 1984-1989.

The issue of unregulated production has caused great concern in the industry for a number of years. During the period under review, the fieldman, employed by the Board, visited 75 colonies.

## ALBERTA CHICKEN PRODUCERS' MARKETING BOARD

The Board is confident that unregulated production by Hutterite Colonies will soon be within our supply management system. The colonies and the hatcheries have been very co-operative throughout the process and the Board appreciates their concern for the continued health of the industry.

Research is of critical importance to the industry and each year contributions are made to the University of Alberta's Department of Animal Science. Several research projects are under way on the campus and at the U. of A. poultry farm. Currently research projects are underway which examine using canola and flax as feed ingredients, the stability of pre-cooked but not cured poultry meat products, improving reproductive efficiency and air quality. The Board has also supported the Co-operative and Marketing Chair at the University of Alberta.

Late in 1990, the Alberta Chicken Producers Marketing Board joined Unifarm. Since joining the organization our representative has been elected as a director and has provided the Board with an opportunity to have direct input into policy and administrative matters within Unifarm.

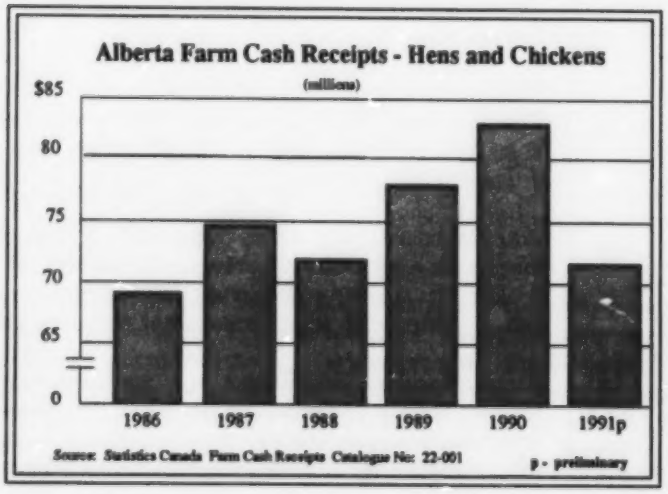
The Board continues to be active in promoting our product. As well as supporting the activities of the Southern, Central and Northern Poultry Associations in their promotional activities, we have been very active with in-store demonstrations and various other promotional activities.

During its twenty five year history, the Board has consistently recognized the importance of promotional activities. In January of 1991 the Board began a review of its promotional activities and found that consumers were unaware of the presence of imported chicken in the market place. As a result, in March of 1992 a new advertising campaign was launched which is designed to identify Alberta chicken through the use of a label.

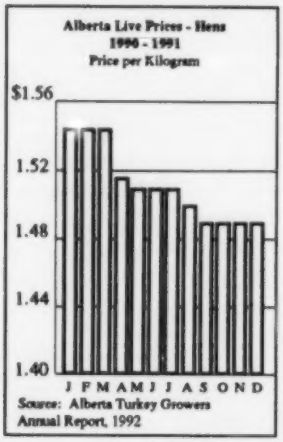
**Alberta Chicken Producers' Marketing Board**
**Revenues and Expense**

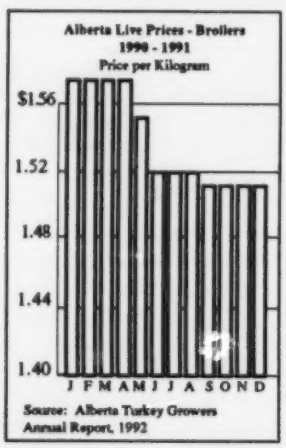
| | 1990 | 1991 |
|---|---|---|
| **Total Revenues** | $653,005 | $574,582 |
| **Total Expenses** | $503,721 | $564,892 |
| **Net Revenue** | $149,284 | $ 9,690 |

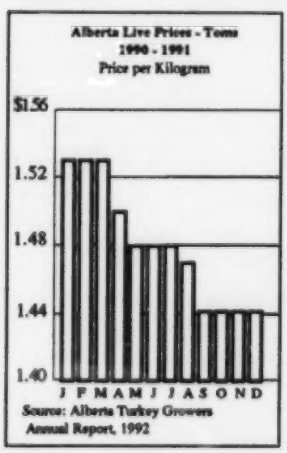
Source: Alberta Chicken Producers' Marketing Board Annual Report



# Alberta Turkey Growers Marketing Board




From an administrative point of view, 1990 was a transitional period for the Alberta Turkey Growers Marketing Board. During the year a new computer system was developed and implemented and all aspects of the Board's operation have been or shortly will be computerized.

The ability to have information readily available will assist the Board in its administration of quota from 1991 onward. As part of this process and in preparing for allocating quota by period (or classification), producers were asked to submit their production estimates to the Board. It is envisioned that growers will be able to plan their placement and marketing dates with the processors so as to minimize bottlenecks at peak times of the year.

Policy initiatives continued to occupy a major portion of the Board's time during 1991. In addition to the important work of the pricing committee, a new policy concerning husband and wife operations and a new broiler weights policy was adopted.

The status of the GATT negotiations have been a major concern for turkey growers for some time and the Board has been very active in its efforts to assure the protection of the supply management system.

The Board continues to support research, in the area of poultry science, at the University of Alberta. The Board completed its two year commitment into research at VIDO (Veterinary Infectious Disease Organization) to develop an ecoli septicimia vaccine. The Canadian Turkey Marketing Agency has agreed to undertake funding of the project for 1990 and 1991. The Board has also supported the U. of A.'s Chair in Co-operative Marketing.

Promotional activities were highlighted by several cooking demonstrations on television. This produced a number of requests for recipe books. The promotion feasibility study was finalized and was presented to the Board and Alberta's major processors. The Board is in the process of hiring a part-time home economist to undertake promotion activity.

The Board was involved in a number of areas with its National counterpart, The Canadian Turkey Marketing Agency. These included offering our views on the report of the National Poultry Task Force, GATT negotiations and national promotional activities.

Prices continued to slip slightly during the year. Prices declined by one cent per kilogram in April 1990 and another cent in October. Hen prices declined by four cents per kilogram in 1990 and tom prices declined throughout the year. Price declines were partially offset by decreases in the cost of production but are still down for the year.

Beginning with the 1991/92 quota year, the Board issued marketing certificates which reflected periodic production. In November 1991 growers participated in a survey to determine their plans with respect to marketing. The information is now in place which will allow planning for market responsiveness and improved year round supply.

## Alberta Turkey Growers Marketing Board

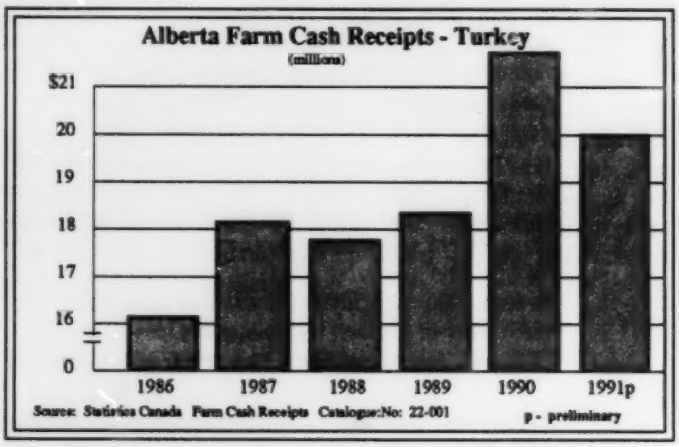
In 1991 the Board instituted a number of policy changes. These included changes in breeder policy, periodic marketing policy, light breed quota policy, broiler weights, weight penalties and over marketing penalties. The Board is in the process of reviewing all existing policies.

In 1992, the Alberta Turkey Growers Board celebrates its twenty fifth year of operation. Currently, the Board serves sixty eight quota holders and a number of permit growers. As a result of the efforts of the Board these growers receive an equitable return for growing turkeys on their own farms in Alberta.

**Alberta Turkey Growers Marketing Board Revenues and Expense**

| | 1990 | 1991 |
|---|---|---|
| Total Revenue | $228,166 | $225,119 |
| Total Expenses | $165,087 | $197,565 |
| Net Revenue | $63,079 | $ 27,554 |

Source: Alberta Turkey Growers Marketing Board Annual Report




# Alberta Egg Producers Board

As with many agriculture commodities, the egg industry is facing change, and with it, a measure of uncertainty. Nationally, the egg supply management system has been subject to considerable scrutiny through both external and internal study and review.

The Agri-Food Policy Review has issued a challenge to the supply managed sector to create a second generation of supply management; to become more market sensitive. The Canadian Egg Marketing Agency has been proactive in meeting the challenge by setting forth a strategic plan to give direction for the industry for the next decade. The plan, Vision 2000, provides the egg industry with a framework for making decisions. This will allow the industry to deal with the key issues affecting the industry in the 1990s. Our industry has

already made progress on many of the issues identified by the Federal Government's Poultry Review Task Force. As part of the national system, Alberta producers are actively involved in this process.

The year 1990 was the end of the first full year of seasonal pricing. This program was introduced as an incentive to influence production patterns to better match consumer demand. As a result, price changes occurred more often and were larger than what was considered normal. During the year, there were four price changes downward and eight upward. The highest Grade A Large price paid to producers during the year was $1.19 and the lowest was $1.11. The average Grade A Large price for the year was $1.15.

Alberta Egg Producers joined forces with the other feather boards to visit with federal members of parliament from Alberta. Under the leadership of the joint trade committee of the National Poultry Agencies, poultry producers conveyed their support of Canada's position at the GATT negotiations on agriculture. However, in late 1991 a paper was released by the Secretary General of the GATT, Mr. Arthur Dunkel, which, if implemented, would substantially weaken the supply management system in Canada. The Board is working hard to ensure that the article under which Canada's poultry and egg supply management systems operate (Article XI:2(c) of the GATT) is strengthened and clarified.

In June 1990, Agriculture Canada announced that the frequency of Salmonella enteritis in the interior of the shell is considerably less than one in a million eggs. This was the result of the risk assessment based on a survey of Canadian commercial laying flocks.

Armed with the renewed assurance of the safety of Canadian eggs, the Canadian Egg Marketing Agency and Agriculture Canada developed a "Safe from Salmonella" program to assist egg producers in providing clean product to their customers.

This comprehensive program is designed to inform all Canadian egg producers about the risk of Salmonella contamination and how they can best reduce the incidence of it in their flocks. The program is built around a Code of Farm Management Practice which identifies the criteria which the egg industry and Agriculture Canada recognize as good husbandry practice in helping reduce the possibility of contamination of egg production facilities, layers, and eggs.

The Alberta Board is committed to the support of poultry research being conducted in the province. We provide financial and advisory support to the University of Alberta Poultry Research Centre. The projects range from finding solutions to production problems to finding alternate uses for egg components.

In addition to research, the Alberta Egg Producers Board provides a number of scholarships and bursaries for students studying poultry science.

## Alberta Egg Producers Board

The Alberta Egg Producers Board has been proactive in communicating information about supply management to the media, government officials, and other interested groups. Issues such as the GATT negotiations have given renewed attention to the subject of supply management, particularly in the media. It has also brought to our attention that negative attitudes have developed toward our system based on misinformation and lack of understanding on how the system operates.

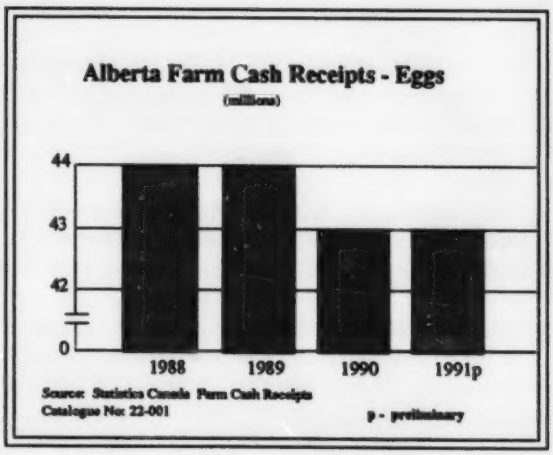
The Board developed a campaign to provide government officials, elected representatives, the media, and other agriculture groups with information about the egg industry. The campaign focuses on how our industry compares favourably to the American egg industry and how supply management has been valuable to our industry and agriculture in general.

An important component of that program was the booklet "The Canadian Egg Industry: Myths and Realities". Produced by the Canadian Egg Marketing Agency, the booklet sought to give answers to many of the myths and misinformation which surround the egg supply management system. It addresses the criticisms about egg supply management system, prices to consumers, prices to food manufacturers, the efficiency of egg producers, the entry of new producers into the egg industry, and the accountability of the marketing board to the consumer.

**Alberta Egg Producers Board Revenues and Expenses**

| | 1990 | 1991 |
|---|---|---|
| Total Revenues | $840,001 | $815,338 |
| Total Expenses | $828,064 | $743,179 |
| Net Revenue | $14,009 | $ 72,159 |

Source: Alberta Egg Producers Marketing Board Annual Report



# Alberta Hatching Egg Marketing Board

The Alberta Hatching Egg Marketing Board is responsible for a system of quotas for the production and marketing of hatching eggs in the province. In 1990, this quota involved almost 440,000 layers and resulted in approximately 52.7 million eggs set. In 1991 the preliminary estimate of eggs set is 53.1 million. The estimated 1992 provincial requirement is about 53.1 million eggs no increase in consumption is forecast for 1992.

In 1990, the Alberta hatching egg industry consisted of 56 producers with an average of 7,852 breeding stock each.

The year 1990 was one of many changes for the Board. A sourcing policy was introduced for all hatcheries. This policy allows the Canadian Broiler Hatching Egg Marketing Agency to determine surplus eggs and match shortages wherever they occur. This information is also required by the department of External Affairs to determine, should shortages occur in Canada which can not be filled by Canadian sources, if supplementary imports are needed.

Another first in 1990 was the inclusion of broiler hatching eggs on the import control list. This afforded the hatching egg industry an increased degree of stability.

The Board has also been active on the Poultry Task Force, in the GATT negotiations and with the licensing of hatcheries.

The National Agency's (CBHEMA) methodology regarding the meat to egg ratio was changed in 1990 to include the more than 2,000,000 chicks sold in small lots for which no official kilogram production was available.

**Alberta Hatching Egg Marketing Board Revenues and Expenses**

**Total Revenues**
**$102,913**

**Total Expenses**
**$ 95,868**

**Net Revenue**
**$ 7,045**

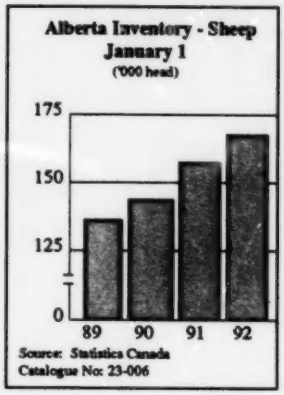
Source: Alberta Hatching Egg Board Annual Report

The Alberta Hatching Egg Marketing Board continues to be involved in research. Funds have been provided for poultry research at the University of Alberta and for agri-business research through the Co-operative Chair in Agricultural Business and Marketing at the University of Alberta.

The Hatching Egg Board celebrated its tenth anniversary of operations during 1991. And, shortly after the annual meeting in 1991 Leo Douziech announced his intention to retire. On September 1 Julie Egglestone took his place as Secretary/Manager.

The Board established a cost of production of committee in 1991 to review the national program and to translate it into a format which is appropriate for the Alberta industry. In addition, the new education committee will investigate options for promoting and educating the public.

# Alberta Sheep and Wool Commission




In 1992 the Alberta Sheep and Wool Commission (ASWC) will celebrate its 20th anniversary. At the time of its establishment it was the first sheep organization of its kind in Canada. The ASWC can look back over its twenty year history and cite many significant accomplishments at both the provincial and national level. The creation of Canada's sole "lamb only" processing facility, widely available sheep extension services, national and provincial sheep stabilization plans and pioneering lamb promotion programs were all initiated by the ASWC. These activities all played a vital role in stabilizing and expanding the largest commercial sheep industry in Canada.

It is anticipated that the 1992 flock will be composed of approximately 125,000 breeding ewes, up from a low of 84,000. Favourable climatic conditions have produced ample forage and grain supplies which have had a positive impact on flock expansion and lamb production. In 1991, 20,000 Alberta sheep participated in B.C. Forestry grazing projects which provided producers with a new and additional source of income. Those projects, because of their positive environmental impact, show virtually unlimited opportunities for expansion.

The 1991 year also saw the completion of developments that will have a long term impact on particular sectors of the industry. Alberta lamb feedlot operators now have their own provincial stabilization program. In addition, changes to import health protocols now allow for the direct importation of USA feeder lambs to augment local supplies. These developments along with domestic lamb contracting and low priced feed grain supplies provide new production avenues. Changes to American wool tariffs and the anticipated opening of an additional wool processing mill in Alberta in 1992 will increase wool marketing opportunities.

The purchase of the Lambco facility by Canada West Foods from the Alberta government in 1991 will cause an increase in throughput and new and innovative merchandising programs are in place. The implementation of New National Lamb Classification Regulations in 1992 are also expected to initiate much needed genetic changes to produce a leaner lamb which is more in line with consumer preferences.

The 20th anniversary of the ASWC heralds both an updating of its mandate and regulations and possible changes to its function and viability as the Alberta Government considers long term support to the ASWC and the sheep industry. This factor along with the changes that have occurred over the past year lay the groundwork for industry expansion for years to come.

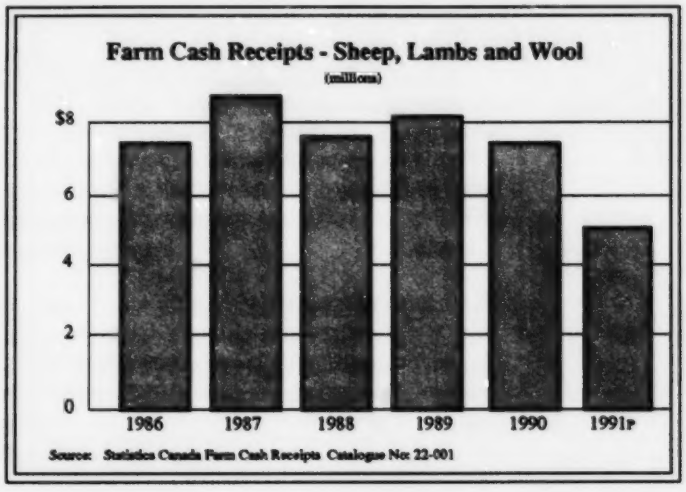
The Alberta Sheep and Wool Commission has and continues to develop and initiate these changes at the provincial level and at the National Federation which was established in 1990. This new development has caused increased activity at the national level through ASWC participation at high level meetings with American and Oceanic sheep associations and marketing organizations.

Overall, the Alberta sheep industry stands in the forefront of agricultural diversification potential in Alberta. Any expansion will also have an impact on both the grain industry and on the environment through increased use of sheep in environmentally friendly brush control. Secondary processing will also benefit by increased lamb and wool processing in Alberta. All this bodes well for the sheep industry and Alberta agriculture.

**Sheep and Wool Commission Revenue and Expenses**

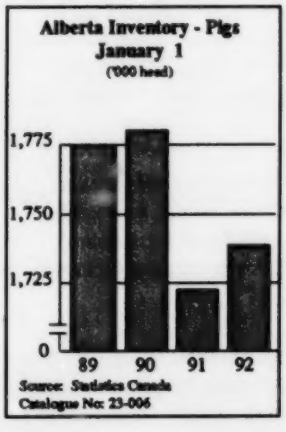
| | 1990 | 1991 |
|---|---|---|
| Total Revenues | $172,921 | $183,305 |
| Total Expenses | $178,648 | $192,964 |
| Net Revenue | ($ 5,727) | ($9,659) |

Source: Alberta Seep and Wool Commission Annual Report




# Alberta Pork Producers Development Corporation

During 1990 the Alberta Pork Producers Development Corporation (APPDC) marketed, on behalf of producers, slightly less than 2.2 million hogs and sows or 9.6 percent less than in 1989. The weighted average pool price was up 21.6% during the year at just over $1.50 per kilogram. The marketings for 1992 declined for the second year in a row to just over 2 million hogs or 5.4 % less than 1990.




As the result of a cooperative effort with Saskatchewan Pork International (formerly the Saskatchewan Pork Board), 11,000 hog carcasses were sold to the government of Cuba. Negotiations on a second sale are underway and it is hoped that a long term contract can be arranged.

In the past year, trade topics have been a major concern for hog producers. The Corporation's activities have proceeded along a wide front and have been focused on the GATT negotiations and on the U.S. countervail actions. The live swine countervail continues through various stages of review. However, in July of 1991 cheques were mailed to producers as a result of a favourable ruling on the fresh, chilled and frozen countervail.

The Corporation actively encourages the humane handling of livestock throughout all stages of the production chain. An Animal care Committee has been formed to assist the

Corporation in making revisions to the Code of Practice and act as a liason between the Corporation and other groups.

Land use issues continue to be a major concern for the Corporation and in particular their impact on intensive animal agriculture. During 1990 the Alberta Public Health Advisory and Appeal Board presented a position paper on this issue to the Minister of Health which outlined recommendations and the corporation responded with its view of the recommendations. More recently, the Department of the Environment has introduced the Environmental Protection and Enhancement Act and the Corporation has expressed its views on the bill to the government.

The Corporation regards research as critical to the development of the industry and since 1969 has been actively involved in activities aimed at improving the efficiency of Alberta's hog producers. Approximately 10 cents of the $1.25 levy collected on each hog marketed goes to research. In 1991 over $200,000 was spent on research. Like many other groups, the Corporation participated in the creation of the Co-operative Chair in Agricultural marketing and Agri-Business at the University of Alberta. The corporation also supports the Swine Research Chair at the U. of A. and the Swine Chair at VIDO, among other projects.

The service charge collected by the APPDC includes $.30 per hog which is designated exclusively for use in pork promotion activities. The Corporation's New Fresh Pork program was in its fourth and fifth years during 1990 and 1991. And, in 1990 included a major media campaign to tie retail and food service promotions to Alberta's chefs gold medal achievements with pork.

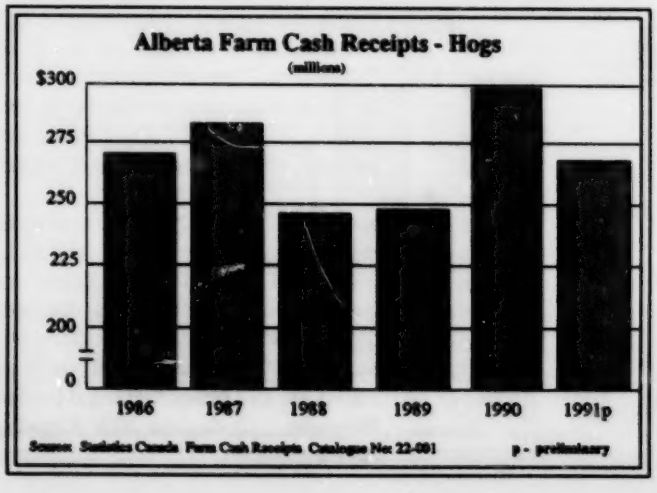
During 1991 the Corporation's promotion activities were expanded to include a monthly newsletter called New Fresh News. All producers with sales over 200 head per year are on the mailing list and other producers can receive the publication by contacting the office.

*NOTE: Does not include Western Hog Journal operations

**Alberta Pork Producers Development Corporation Revenues and Expenses***

| | 1990 | 1991 |
|---|---|---|
| Total Revenue | $5,026,042 | $3,819,251 |
| Total Expenses | $3,530 236 | $3,595,859 |
| Investments | ($7,038,426) | |
| Net Revenue | ($5,542,620) | $ 223,392 |

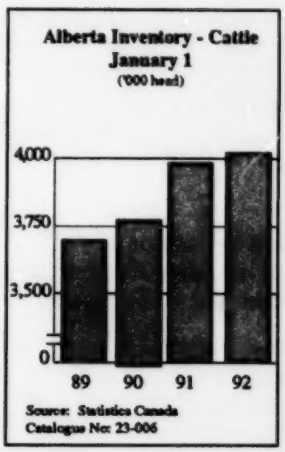
Source: Alberta Pork Producers Development Corporation Annual Report



# Alberta Cattle Commission

During the past year, the Alberta Cattle Commission (ACC) undertook development of a strategic plan that will direct the Commission's future activities. The mandate of the ACC will continue to be "to enhance the economic well-being of the beef cattle producer". In executing this mandate the Commission's key responsibilities will be to promote beef to consumers, enhance the industry's image, lobby government, liaise with producers and execute industry programs and services. To accomplish these objectives, the ACC proposed to cattle producers and delegates that the committee structure be consolidated into seven functionally organized committees. The new committees, approved at the 1991 annual general meeting, are: public affairs, government affairs, technical, promotion, market development, producer liaison and cattle industry committees.

In the planning process, the ACC also reviewed its financial position and check-off collection procedures. The Commission proposed changing its year end from August 31 to March 31 to allow producers and delegates more input into upcoming plans that are discussed at fall producer meetings and the ACC annual general meeting. The ACC's check-off has been held constant at $1.50 for the past five years, and the strategic plan proposed to draw down the operations and project surplus before considering a change in the check-off.




Ninety-five cents of the ACC check-off goes to fund the national advertising and promotion efforts managed by the Beef Information Center (BIC) division of the CCA. For 1992 the BIC has negotiated to be an official supplier of beef to the Canadian Olympic team in Barcelona, Spain. In addition to supplying beef to the Games, the BIC will have testimonial advertising from a leading Canadian Olympic athlete and significant television advertising time during the Games coverage.

At the national level, the ACC funds the operations of the Canadian Cattlemen's Association (CCA) in proportion to our share of Canada's beef cattle industry. The CCA has been particularly busy this past year dealing with several major trade issues. One of their most important activities was advocating the renewal of the Canadian countervailing duty on imports of subsidized beef from the European Economic Community. This successful action, fought before the Canadian International Trade Tribunal, will prevent cow beef prices from falling up to 10 cents per pound, which would have occurred had European beef been allowed free access to the Canadian market. At the GATT negotiations, the CCA lobbied for fair, free trade policies which permit competitive advantage to prevail in global trade.

Market development is a key activity of the Commission, and will be receiving even more attention in the future. The ACC supports industry market development initiatives into the United States, Quebec and Ontario markets. The ACC is also the largest industry contributor to the Canada Beef Export Federation, an organization created to develop partnerships between cattle producers, beef processors and government in the pursuit of Pacific Rim market opportunities. Japan is the primary target market, but efforts are also being directed at beef exports to Korea, Taiwan, Hong Kong and Singapore. By the year 2000, Canada is projecting 75,000 tonnes of beef exports to the Japanese market.

## Alberta Cattle Commission

For the p t year, the ACC has been evaluating its potential role in funding cattle industry marketing and production research. Cattle producers expressed their views on the research program at the 1991 fall meeting through a referendum. Delegates to the annual meeting will make a final decision on the merits of an ACC funded research program and the funding required to support the program.

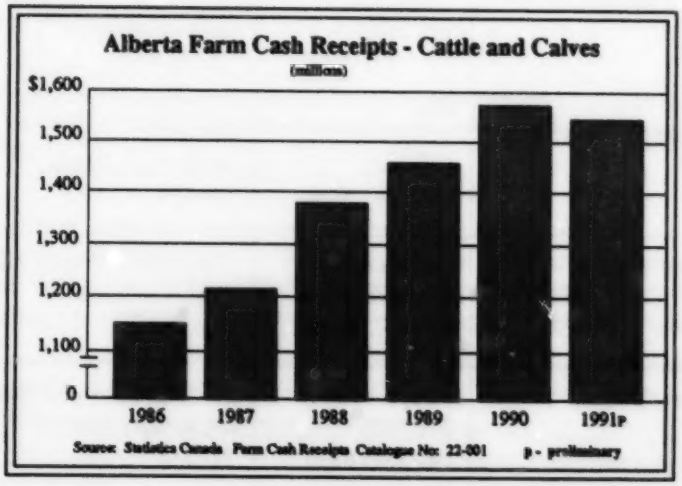
The ACC's delegate committees have been active on many issues of importance to the cattle industry. An audit of the environmental impact of the beef cattle industry was completed. The Commission also expressed concern about the potential impact of the new Environmental Protection and Enhancement Act on the industry. To overcome problems in the administration of agricultural leases, the ACC has requested that the Department of Agriculture become the responsible department. Changing the method of paying the Western Grain Transportation Act subsidy to a producer payment remains one of the most important ingredients to a competitive livestock industry, and the Commission has continued its lobby efforts to enact the change.

The provision of accurate, timely market information to cattle producers is an essential aspect of a free market system. The ACC has substantially increased its expenditures for market information services due to the reduction in Alberta Government funds provided to the program. The Commission has taken the lead in developing a distributed computerized market information service through the Agri-Net Information Association. Current clients that are involved in offering producers easy access to market information through the system include the ACC, the Alberta Grain Commission and Alberta Agriculture.

**Alberta Cattle Commission Revenues and Expenses**

| | 1990 | 1991 |
|---|---|---|
| Total Revenues | $5,229,444 | $5,110,973 |
| Total Expenses | $4,854,796 | $5,317,172 |
| Net Revenue | $ 374,648 | ($206,199) |

Source: Alberta Cattle Commission Annual Report



# Appendix I

| Board or Commission | Telephone/Fax | Address | Plan Implemented |
|---|---|---|---|
| Alberta Barley Commission | Telephone:<br>291 9111<br>Fax: 291 0190 | 321 Stockman's Centre<br>2116 - 27 Avenue N.E.<br>Calgary, Alberta T2D 7A6 | 1991 |
| Alberta Canola Producers Commissiion | Telephone:<br>452 6487<br>Fax: 451 6933 | #170, 14315 - 118 Avenue<br>Edmonton, Alberta<br>T5L 4S6 | 1989 |
| Alberta Cattle Commission | Telephone:<br>275 4400<br>Fax: 274 0007 | #216, 6715 - 8 Street N.E.<br>Calgary, Alberta<br>T2E 7H7 | 1969 |
| Alberta Chicken Producers' Marketing Board | Telephone:<br>488 2125<br>Fax: 488 3570 | 11826 - 100 Avenue<br>Edmonton, Alberta<br>T5K 0K3 | 1965 |
| Alberta Egg Producers Board | Telephone:<br>250 1197<br>Fax: 291 9216 | #15, 1915 - 32 Avenue N.E.<br>Calgary, Alberta<br>T2E 7C8 | 1967 |
| Alberta Hatching Egg Marketing Board | Telephone:<br>451 5837<br>Fax: 452 8726 | 14815 - 119 Avenue<br>Edmonton, Alberta<br>T5L 2N9 | 1982 |
| Alberta Pork Producers Development Corporation | Telephone:<br>474 8288<br>Fax: 471 8065 | 10319 Princess Elizabeth Avenue<br>Edmonton, Alberta<br>T5G 0Y5 | 1968 |
| Potato Growers of Alberta | Telephone:<br>291 2430<br>Fax: 291 2641 | #244, 2116 - 27 Avenue N.E.<br>Calgary, Alberta<br>T2E 7A6 | 1988 |
| Alberta Pulse Growers Commission | Telephone:<br>327 0626<br>Fax: 381 5178 | Box 1837<br>Lethbridge, Alberta<br>T1J 4T4 | 1989 |
| Alberta Sheep and Wool Commission | Telephone:<br>295 1988<br>Fax: 275 8009 | #212, 6715 - 8 Street N.E.<br>Calgary, Alberta<br>T2E 7H7 | 1972 |
| Alberta Soft Wheat Producers Commission | Telephone:<br>380 4189<br>Fax: 328 6880 | Box 875, 1014 - 3 Avenue North<br>Lethbridge, Alberta<br>T1J 3Z8 | 1990 |

| Contact | Function/Purpose |
|---|---|
| Clif Foster<br>General Manager | To coordinate, sponsor or co-sponsor on behalf of farmers; agronomic research, market development and promotion, information and technology transfer and policy development. |
| Bruce Jeffery<br>Manager | To develop and implement projects and programs to increase and improve the production and marketing of canola, inform producers and advise governments on matters concerning the canola industry. |
| Gary Sargent | To enhance the economic well-being of the Alberta Cattle producers by lobbying government, enhancing the industry's image, promoting beef to consumers, liaising with producers and executing industry programs and services. |
| Roger King<br>Secretary Manager | To regulate the production of chickens, to allot production and marketing quotas and to represent producers at national agency meetings |
| Warren Chorney<br>General Manager | To stabilize the egg industry against extreme fluctuations in price, improve the monetary returns to producers , monitor the quality of eggs, improve productivity through research and encourage consumption of fresh eggs. |
| Julie Egglestone<br>Secretary Manager | To regulate the production of hatching eggs, to negotiate prices to be paid to producers, to allot production and marketing quotas and represent producers at national agency meetings. |
| Ed Shultz,<br>General Manager | To provide for effective promotion and effective control and regulation in all aspects of the marketing of Alberta slaughter hogs. |
| Jan Brown<br>Manager | To establish and maintain a minimum price on all table and seed stock, excluding potatoes, for processing, sold in Alberta. |
| Eric Horton<br>General Manager | To provide responsible leadership in the development of a progressive, viable pulse industry in Alberta. |
| Will Verboven<br>Secretary Manager | To provide for the initiation, support or conduct of programs for stimulating, increasing and improving the economic well-being of the sheep industry by developing improved marketing methods, grading standards, quality standards for research and development programs. |
| Andy Kovacs<br>Executive Director | To develop and implement projects and programs to increase and improve production, promote research and improve marketing of Alberta grown soft wheat. |

# Appendix I

| Board or Commission | Phone/Fax | Address | Plan Implemented |
|---|---|---|---|
| Alberta Sugar Beet Growers' Marketing Board | Telephone: 223 1110<br>Fax: 223 1022 | 4900 - 50 Street, Box 190<br>Taber, Alberta<br>T0K 2G0 | 1983 |
| Alberta Turkey Growers Marketing Board | Telephone: 465 5755<br>Fax: 465 5528 | #202, 8711 - 50 Street<br>Edmonton, Alberta<br>T6B 1E7 | 1967 |
| Alberta Fresh Vegetable Marketing Board | Telephone: 327 0447<br>Fax: 327 0766 | 220E - 12 Street A North<br>Lethbridge, Alberta<br>T1H 2J1 | 1974 |
| Alberta Vegetable Growers' Marketing Board | Telephone: 223 4242<br>Fax: 223 8435 | Box 2273<br>Taber, Alberta<br>T0K 2G0 | 1958 |
| Alberta Winter Wheat Producers Commission | Telephone: 328 0059<br>Fax: 328 0969 | 1205 Michigan Place South<br>Lethbridge, Alberta<br>T1K 3P4 | 1990 |

| Contact | Function/Purpose |
|---|---|
| Rita McEwen<br>Secretary Manager | To negotiate prices to be paid to producers, to allot production quotas and to improve and increase the production and marketing of sugar beets. |
| Greg Smith<br>Secretary Manager | To regulate the production of turkeys, to allot production and marketing quotas and to represent producers at national agency meetings. |
| Neil Reid<br>Manager | To set minimum prices to be paid to producers and to see that a system of grading is maintained and to enhance the well-being of Alberta fresh vegetable producers. |
| Terry Cradduck<br>Secretary Manager | To negotiate, with the processor, the prices and the terms of an annual agreement on behalf of the producers of vegetables grown for processing . |
| Sharol Siewert<br>Office Manager | To develop and implement projects and programs to increase and improve production and marketing of Alberta grown winter wheat. |